

07/07/2008

Terry Grimes

P.O. Box 4748

Davenport, IA 52808

Secretary Jennifer J. Johnson
Board of Governors
Federal Reserve System
20th St. and Constitution Ave., N.W.
Washington, D.C. 20551
RE: Docket No. R-1314

Dear Secretary Johnson,

I am writing today to show my support for the subprime credit card industry. The Federal Reserve Board must understand that restrictions may lead to many Americans having fewer options to rebuild their credit. Most prime issuers will not look at an applicant with a mediocre credit score. Subprime credit card companies are their only choice, and most applicants are successful in their financial recovery. In today's troubling economy, do we really need to impose limits that will ultimately harm those already struggling to get back on their feet?

I applied for my Total card in hopes of reestablishing my credit. I was responsible with its use, made my payments on time, and have increased my score to where I receive offers for prime-rate credit cards. I do not at this time plan on canceling my current subprime card, as it is not that bad. As a construction worker, I travel quite frequently, and the card has been handy on many occasions when cash is tight. I am proud of what I have accomplished with my financial status, and can say I will be purchasing a new vehicle shortly. This could not have been done without a second chance to rejuvenate my credit score.

The restrictions the Federal Reserve is proposing will leave many without the opportunity I was given. Subprime lenders will start being overly cautious as to who is issued a card. We simply cannot allow limits imposed by our Government to make it more difficult to reestablish credit for thousands of Americans. This is not a decision that the Federal Reserve should make; it is one for the individual to decide.

Thank you for your help,

Terry Grimes